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SNAPSHOT

Ethiopian Footwear off to a Running Start

Value of footwear exports through AGOA increased tenfold in one year



Photo: USAID East Africa Trade Hub

Tikur Abbey employee constructs a shoe for U.S. retailer Bass

Exporting through AGOA “enhances our experience, helps us to specialize and improves our reputation.”

-- Yelet Sesay, Tikur Abbey Marketing and Sales Manager

Because of its fine leather and commitment to top quality, Ethiopia has recently become a magnet for international retailers seeking high-end shoes.

Ethiopian shoe companies offer it all – fine-dress, casual, and sport footwear.

Between 2011 and 2012, Ethiopian shoe exports through the African Growth and Opportunity Act (AGOA) increased more than tenfold--from US \$630,000 to nearly US \$7 million.

The USAID East Africa Trade Hub began working in Ethiopian footwear in 2012. In just over a year, they facilitated over US \$1.5 million in sales to the U.S. The Trade Hub accomplished this through a combination of technical assistance, such as trainings on how to meet the technical specifications required by U.S. companies, and market connections facilitated by AGOA.

In early 2013, the Ethiopian Leather Industries Association (ELIA) partnered with the Trade Hub to showcase their top-quality shoes at the MAGIC Sourcing Show in Las Vegas. Positioned in the Trade Hub’s Origin Africa booth, ELIA members met over 50 potential clients. The multi-billion-dollar retailer Gap is now interested; so are Orvis and Skechers Footwear. Harbor Imports is already on board, currently sourcing over \$80,000 a month in exports from Peacock Footwear, an ELIA member.

Tikur Abbey, another ELIA member, is a thriving Ethiopian footwear company focusing mostly on the regional market – military shoes for Uganda, South Sudan and Rwanda. Still, Marketing and Sales Manager Yelet Sesay says that exporting through AGOA is important to their business since it represents steady, high-volume trade.

Tikur Abbey is currently exporting to the large shoe retailer, Bass.

“It [export through AGOA] enhances our experience, helps us to specialize and improves our reputation,” Sesay says.

Export demand drives the need for more workers –which in turn increases wages. The average salary for a Tikur Abbay factory worker is US \$80 a month -- twice the pay of other local shoe companies. Tikur Abbay also provides transportation and medical care.

“Footwear in Ethiopia has huge potential –the value per pair of Ethiopia shoes is high,” says Ethiopian footwear industry expert, Tewodros Wossenyeleh.

The Trade Hub couldn't agree more. Look for Ethiopian Footwear at the next MAGIC trade show. The Trade Hub's Origin Africa booth will have the shoes proudly on display.